

ABSTRACT

A system protects against intentional market manipulation in a computerized real-time stock trading system. It determines whether users are attempting to manipulate the trading system's market using schemes such as self-trading and round-robin trading to create a false appearance of trading activity. The trading system matches buy and sell trade orders placed by different users on the system, and the anti-manipulation component receives unique identifiers for each trade order that identify the users placing the trade order. The anti-manipulation component then compares the identifiers to determine, flag and reject artificial manipulation of the trading system's market. These defensive systems may be used in real time stock trading systems that provide after-hours stock trading to both retail and institutional investors.